GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

CAF & CS Department – Permission to A.P. State Civil Supplies Corporation Limited for availing Loan/Cash Credit limits from Commercial Banks/Financial Institutions for an amount of Rs. 5,000 Crores (Five thousand crores only) to meet paddy payments to the farmers – Providing Government Guarantee for an amount of Rs.5000 Crores (Five thousand crores) – Orders – Issued.

CONSUMER AFFAIRS, FOOD & CIVIL SUPPLIES (CS.I) DEPARTMENT

G.O.MS.No. 1 **Dated: 05-01-2021.**

Read the following:

1. G.O.Ms.No.19, CAF & CS (CS.I) Department, dated:24-11-2017.
2. G.O.Ms.No.21, CAF & CS (CS.I) Department, dated:14-09-2018.
3. G.O.RT.No.80, CAF & CS (CS.I) Department, dated:16-10-2018.
4. G.O.RT.No.7, CAF & CS (CS.I) Department, dated:25-01-2019.
5. G.O.RT.No.57, CAF & CS (CS.I) Department, dated:24-10-2019.
6. G.O.Ms.No.14, CAF & CS (CS.I) Department, dated:13-12-2019.
7. G.O.RT.No.18, CAF & CS (CS.I) Department, dated:12-06-2020.
8. From VC&MD, APSCSCL, Vijayawada letter No.12026/09/2018-FIN SEC – APSCSCL, Dated: 22-11-2020.

-:o:-

ORDER:

In the circumstances reported by the Vice-Chairman and Managing Director, A.P. State Civil Supplies Corporation Ltd., Vijayawada in the reference 8th read above, after careful examination of the proposal, Government hereby accord permission to the Andhra Pradesh State Civil Supplies Corporation Ltd., Vijayawada for availing Loan/Cash Credit limits from Commercial Banks/Financial Institutions for an amount of Rs. 5,000 Crores to meet paddy payments to the farmers in addition to the existing sanctioned limits of Rs.27,000 Crores from the Banks/Financial Institutions at reasonable interest rates, subject to the following conditions and to pay monthly interest charges to bankers/Financial Institutions for the entire loan amount of Rs.32,000 Crores:

i. The Guarantee will be valid for a period of one year i.e Guarantee has to be utilized within a period of one year from date of issue of Government Order.
ii. The Guarantee will cover only the principal part for entire period/tenure of the loan.
iii. The Corporation has to Pay the Guarantee commission @2% on Guaranteed amount of Rs.5000 Crores (Five thousand crores only) as onetime measure.
iv. Remaining debt repayment and future procurement operations are to be managed by disposing the additional stocks available with APSCSCL and realizing the dues receivable from the Govt. of India.
v. APSCSCL shall take any further loans only with the approval of the Govt. of Andhra Pradesh to keep their debt burden under control.
vi. Servicing of the Loan will be done by A.P. State Civil Supplies Corporation Ltd.,

2. The Vice Chairman and Managing Director, Andhra Pradesh State Civil Supplies Corporation Limited, Vijayawada is authorized to enter loan agreements with the Commercial Banks/Financial Institutions for debt swapping and fresh loans as per orders in para (1) above, for procurement of paddy from the farmers and take necessary steps for pledging the stocks with the respective banks as per the norms and maintain the accounts as per the terms and conditions in the Bank Agreement. The VC&MD is also requested to send necessary proposals to the Government for extending the Government Guarantee from Finance Department to the loans taken by them from time to time. Further, the A.P. State Civil Supplies Corporation Ltd., is directed to prudently utilize the loan in order to reduce interest burden.

3. The Commissioner of Civil Supplies, Andhra Pradesh, Vijayawada is requested to obtain the periodical reports from the APSCSCL, Vijayawada and send the Cash Credit position to the Government for record purpose.

4. This order issues with the concurrence of Finance Department vide their U.O. No. Fin.U.O.No.BUGT0DSM/26/2020-CDM (Comp.No.1308744) Dated:04.01.2021.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

KONA SASIDHAR
EX-OFFICIO SECRETARY TO GOVERNMENT

To
The Vice Chairman and Managing Director, Andhra Pradesh State Civil Supplies Corporation Limited, Vijayawada.
The Commissioner of Civil Supplies, Andhra Pradesh, Vijayawada.
Copy to:
The Finance Department (C&DM) Department.
The P.S. to Principal Finance Secretary to Govt., Finance Department.
The OSD to Minister for Civil Supplies.
The General Administration (Cabinet) Department, [w.r.t. CR.No.221/2020]
SF/SC.(Computer No.921489)

// FORWARDED :: BY ORDER //

SECTION OFFICER.